

Exhibit C

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Debtors.

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Upon the motion (the “Motion”) of Family Golf Centers, Inc. (the “Debtor”) and its

99101-1

of November __, 2000 to the Debtors' Revolving Credit and Guarantee Agreement dated as of June 2, 2000 with The Chase Manhattan Bank, as Agent for certain financial institutions, annexed hereto as Exhibit "8" (the "DIP Loan Amendment"); and (e) certain related relief; and due and proper notice of the Motion having been given in accordance with the Court's Order to Show Cause dated November __, 2000; and the Court having jurisdiction to hear and determine the matters set forth in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and venue of the Motion being proper in this District pursuant to 28 U.S.C. § 1409; and upon the record of the hearing on the Motion held before this Court on November __, 2000; and upon due deliberation and sufficient cause appearing therefor; and it appearing that the relief sought in the Motion is in the best interests of the Debtors' estates; it is hereby

ORDERED that the Motion is approved in its entirety; and it is further

ORDERED that the Consulting Agreements are approved and the Debtors are authorized to execute such agreements and retain the Consultants in connection with the operation of the Debtors' businesses and the Debtors' efforts to facilitate a reorganization of their businesses; and it is further

ORDERED that, to the extent otherwise obligated to do so under existing indemnity agreements or obligations, the Debtors are authorized to advance up to one million dollars (\$1,000,000) in the aggregate for all of the legal defense costs of the named defendants in the pending securities class action law suit and the employees, directors, and other persons that are subject to the SEC investigation, so long as such legal defense costs are paid from the Debtors' existing directors' and officers' insurance policy; and it is further

ORDERED that the Debtors' Releases are approved and the Debtors are authorized to execute the Debtors' Releases; and it is further

ORDERED that the Executive Releases are approved; and it is further

ORDERED that the Debtors have agreed and shall be bound to indemnify Dominic Chang for payments of principal paid by Dominic Chang to holders of Identified Guaranties (as such term is defined in the Executive Releases) in an amount not to exceed \$187,500 in the aggregate and the Debtors have agreed and shall be bound to pay such amounts upon presentment of evidence of such payment by Dominic Chang; and it is further

ORDERED that the Debtors have agreed and Dominic Chang shall have an allowed administrative expense claim pursuant to section 503(b) of the Bankruptcy Code to the extent of any or all of such \$187,500 that is not paid by the Debtors to Dominic Chang in accordance with the foregoing paragraph; and it is further

ORDERED that the Zolfo Management Agreement is approved and the Debtors are authorized to execute and perform under such agreement, *provided, however*, that all payments by the Debtors to Zolfo Management shall be on account of and subject to formal applications by Zolfo Management for allowances of compensation and reimbursement of out-of-pocket expenses, and *provided further* that Zolfo Management shall submit such applications for allowances and reimbursement prepared in accordance with the "Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases" dated June 30, 1991 at such times and in such manner as ordered by this Court; and it is further

ORDERED that none of the Debtors, the members of the Official Committee of Unsecured Creditors appointed in these cases (the "Committee"), Chanin Capital Partners LLC, as financial advisors to the Committee, the several lenders from time to time party to that certain Credit Agreement dated as of December 2, 1998, as amended and restated as of October 15, 1999, among the Debtors, The Chase Manhattan Bank, as Administrative Agent (the "Agent"), and such lenders (collectively, the "Pre-Petition Lenders"), the Agent, PriceWaterhouseCoopers LLC, as financial advisors to the Pre-Petition Lenders, and their respective attorneys shall have

or incur any liability whatsoever arising from or related to their actions in the selection of Zolfo Management as Manager (as such term is defined in the Zolfo Management Agreement), Mr. Gund as Chief Executive Officer, and Mr. Robert Sundius as Chief Financial Officer; and it is further

ORDERED that the Retention Program (as such term is defined in the Motion) is approved and the Debtors are authorized to implement it; and it is further

ORDERED that the DIP Loan Amendment is approved and the Debtors are authorized to execute and perform under such agreement; and it is further

ORDERED that the Committee is authorized, on behalf of the Debtors' estates, to investigate and prosecute the Avoidance Claims (as such term is defined in the Debtors' Releases), including the authority to conduct examinations and other discovery pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Part VII of the Bankruptcy Rules; and it is further

ORDERED that the Committee, when acting on behalf of the Debtors' estates in respect of the Avoidance Claims or any other Claims (as such terms are defined in the Debtors' Releases), has agreed to and shall be bound by the terms of the Debtors' Releases; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all disputes arising under the Consulting Agreements, the Debtors' Releases, the Executive Releases, the Zolfo Management Agreement, the Retention Program, and the DIP Loan Amendment.

Date: November ___, 2000

UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the "Agreement") is made and entered into as of this ____ day of October, 2000, by and between Dominic Chang (the "Consultant") and Family Golf Centers, Inc., a Delaware corporation (the "Company").

W I T N E S S E T H:

WHEREAS, on May 4, 2000, the Company and its affiliates and subsidiaries (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of Title 11, United States Code (the "Bankruptcy Code"). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their business and manage their properties as debtors-in-possession;

WHEREAS, the Debtors' Chapter 11 cases (the "Cases") are currently pending before the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court");

WHEREAS, the Consultant is the former Chairman and Chief Executive Officer and a former director of the Company, having resigned those positions and having terminated the employment agreement the Consultant had with the Company on the Effective Date (as such term is hereinafter defined);

WHEREAS, the Consultant possesses unique experience and knowledge relating to the creation and maximization of the value of the Debtors and, therefore, the Consultant will be integral to the Debtors' efforts to reorganize pursuant to Chapter 11 of the Bankruptcy Code;

WHEREAS, the Company desires to retain the services of the Consultant and the Consultant desires to provide services to the Company during the Consulting Term (as defined below), upon the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, the parties hereto agree as follows:

1. Payments. To induce the Consultant to perform certain consulting services as set forth herein, and in satisfaction of all severance claims the Consultant may have against the Debtors, including, but not limited to, those arising from the Consultant's written employment contract with the Company, dated September 11, 1994, as amended, the Company, shall, on the next business day following the date the Bankruptcy court enters an order approving this Agreement (the "Effective Date"), (a) pay the Consultant a lump sum of \$215,000, (b) provide an additional lump sum of \$100,000, which additional lump sum the Consultant and Krishnan Thampi shall divide between them as they shall determine.

2. Consulting Services and Definitions.

(a) Services. The Company hereby engages the Consultant to advise, assist and render consulting services as specifically requested by the Company during the Consulting Term (as such term is hereinafter defined) in connection with the operation of its business and the Company's efforts to facilitate a successful Chapter 11 reorganization of the Debtors (the "Services") for the period specified in Section 3 hereof. The Consultant hereby accepts such engagement and shall devote such time and energy as is reasonable under the circumstances to perform the Services, but in no event more than 20 hours per month during normal business hours (Monday through Friday, 9:00 a.m. to 5:00 p.m.). The Consultant shall perform the Services at such location as the Consultant and the Company agree in writing.

(b) Independent Contractor. The Services that the Consultant shall render to the Company hereunder shall be in the capacity of an independent contractor and not as an employee or agent of the Company.

3. Compensation.

(a) Consulting Fee. The Consultant shall receive no additional consulting fee for the performance by the Consultant of the Services during the Consulting Term. The Consultant will, however, receive the following in addition to the consideration previously recited herein: (a) the Company shall provide to the Consultant existing and comparable health, disability and other welfare benefits consistent with those benefits provided to the Company's employees and (b) continue the Consultant's lease payments under the Consultant's existing automobile lease until the earlier of the (i) the termination of this Agreement; (ii) such time as the Company discontinues such benefits to its employees; or (iii) March 31, 2001.

(b) Reimbursement of Expenses. To the extent necessary to perform the Services as requested by the Company, the Consultant shall be reimbursed for all ordinary, necessary and reasonable out-of-pocket expenses that the Consultant may incur when providing Services that specifically have been requested by the Company, including without limitation, business class air travel, lodging, meals, telephone and mailing expenses. Consultant agrees to maintain adequate records, in such detail as the Company may reasonably request, of expenses to be reimbursed by the Company.

4. Term and Termination.

(a) Term. The term of the retention of the Consultant hereunder shall commence on the date hereof and shall continue in full force and effect until December 31, 2001, unless earlier terminated as provided herein (the "Consulting Term").

(b) Termination. This Agreement may be terminated at any time following the date hereof without liability to or obligation of either party hereto,

- i. by the Company, at any time following the date hereof, upon delivery of written notice to the Consultant, for cause or if the Bankruptcy Court has entered a final and non-appealable order confirming a plan of reorganization involving the Debtors, or
- ii. by the Consultant at any time, with or without cause, in the sole discretion of the Consultant, upon delivery of written notice by the Consultant to the Company,

at which time this Agreement shall terminate and be of no further force and effect.

5. Company Representations and Warranties. The Company hereby represents and warrants to the Consultant that:

Authority; Noncontravention. Subject to approval of this Agreement by the Bankruptcy Court, the Company has all requisite legal capacity, power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company, and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company.

6. Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given (i) if personally delivered, when so delivered, or (ii) if mailed, five (5) business days after having been placed in the United States mail, registered or certified mail, return receipt requested, postage pre-paid, addressed to the party to whom it is directed at the address set forth below, or (iii) if by facsimile, upon confirmation of the transmission:

If to the Company:

Family Golf Centers, Inc.
538 Broadhollow Road
Suite 106E
Melville, New York 11747
Attn: General Counsel
Phone: (631) 694-1666
Fax: (631) 694-1935

with a copy to:

Fried Frank Harris Shriver & Jacobsen
One New York Plaza
New York, New York 10004-1980
Attn: Lawrence A. First, Esq.
Phone: (212) 859-8000
Fax: (212) 859-4000

If to the Consultant, at:

Dominic Chang
5 Micole Court
Dix Hills, New York 11746

with a copy to:

Squadron, Ellenoff, Plesent & Sheinfeld, LLP
551 Fifth Avenue
New York, NY 10176
Phone: (212) 661-6500
Fax: (212) 697-6686
Attn: David M. Posner, Esq.

7. Indemnification; Limitation of Liability; Disclaimer of Warranties.

(a) The Company shall indemnify and hold the Consultant harmless from and against all claims, liabilities, losses, damages, and expenses as incurred (including legal fees and disbursements of counsel), (collectively "Losses"), directly relating to or arising out of the Services. Notwithstanding the foregoing, the Company shall not be liable for indemnification hereunder to the extent that any Losses are finally determined to have resulted from the professional negligence, gross negligence or willful misconduct of the Consultant in connection with the Services.

(b) The Company shall not settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which indemnification may be sought hereunder (whether or not the Consultant is an actual or potential party to such claim, action or proceeding) unless the Company has given the Consultant reasonable prior written notice thereof and obtained an unconditional release of the Consultant from all liability arising from such settlement or compromise, which unconditional release shall not place any nonfinancial obligations on the Consultant.

(c) The Company's obligations hereunder shall be in addition to any rights

that the Consultant may have under any other written agreement, at law or otherwise.

(d) THE CONSULTANT SHALL NOT HAVE ANY LIABILITY (WHETHER DIRECT, INDIRECT, IN CONTRACT, IN TORT OR OTHERWISE) TO THE COMPANY OR ANY PERSON CLAIMING THROUGH THE COMPANY (INCLUDING ITS OWNERS, PARENTS, AFFILIATES, SECURITY HOLDERS OR CREDITORS) FOR ANY LOSSES SUFFERED BY THE COMPANY OR SUCH OTHER PERSON RELATING TO OR ARISING OUT OF ANY INDEMNIFICATION MATTER EXCEPT TO THE EXTENT THAT ANY LOSSES ARE FINALLY DETERMINED TO HAVE RESULTED FROM THE PROFESSIONAL NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CONSULTANT.

(e) Neither party hereto shall be liable to the other for any delays or failure to perform resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority. Performance time shall be considered extended for a period of time equivalent to the time lost because of any such delay.

8. The Company Acknowledgment of Non-Exclusivity. The Company agrees that the Consultant may devote substantial attention, time and energy, either personally or through entities he owns, controls or has interest in with businesses unrelated to the Company. The Company hereby waives any resulting conflict of interest on the part of the Consultant and agrees that the Consultant is not and shall not be construed as being exclusively engaged by the Company.

9. Confidentiality. The Consultant agrees to treat any information that is not available to the public generally that was developed by or received from the Debtors or their representatives from and after the date of this Agreement (the "Confidential Material") with utmost confidentiality, and will not publish, distribute, or disclose in any manner such information without the Debtors' prior written approval. In the event that the Consultant is requested or required by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process to disclose any of the Confidential Material, the Consultant shall provide the Company with written notice as promptly as reasonably practicable of any such request or requirement so that the Company may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. The Consultant shall have no independent obligation to seek or obtain a protective order or other appropriate remedy, but shall cooperate with the Company to obtain such an appropriate protective order or other remedy. If the Company waives, either expressly or by inaction, compliance with this provision with respect to a specific request or requirement, the Consultant shall disclose that portion of the Confidential Material that is covered by such waiver and which is necessary to disclose in order to comply with such request or requirement. If, in the absence of a protective order, other remedy or waiver by the Company, the Consultant is, in the reasonable judgment of independent legal counsel, legally compelled to disclose any

Confidential Material, the Consultant may, without liability hereunder, disclose that portion of the Confidential Material which such counsel advises is legally required to be disclosed. Notwithstanding the foregoing, in the event that the Consultant discloses Confidential Material under the terms hereof, the Consultant shall take all reasonable measures to seek to limit the disclosure of such Confidential Material, including, without limitation, by cooperating with the Company to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Material.

10. Bankruptcy Court Approval. This Agreement is subject to the entry of an order of the Bankruptcy Court approving the retention of the Consultant pursuant to the terms of this Agreement, which order shall approve, among other things, any payments payable to the Consultant hereunder without further order of the Bankruptcy Court. The Company shall use all reasonable efforts to obtain the prompt authorization of the retention of the Consultant on the terms and provisions of this Agreement pursuant to Section 327 of the Bankruptcy Code.

11. Binding Effect/Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, estates, successors (including, without limitation, by way of merger) and assigns. Notwithstanding the provisions of the immediately preceding sentence, neither the Consultant nor the Company shall assign all or any portion of this Agreement without the prior written consent of the other.

12. Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter of this Agreement and supercedes all prior agreements, written or oral, between them as to such subject matter.

13. Severability. If any provision of this Agreement, or any application thereof to any circumstances, is invalid, in whole or in part, such provision or application shall to that extent be severable and shall not affect other provisions or applications of this Agreement.

14. Jurisdiction. The Company and the Consultant agree that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all disputes or other matters arising from the enforcement or interpretation of this Agreement and the Consultant submits to the personal jurisdiction of the Bankruptcy Court in respect thereof.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, without reference to the principles of conflict of laws. **THE CONSULTANT AND THE COMPANY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY MATTER ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR AMENDMENT OR MODIFICATION HERETO.**

16. Modifications and Waivers. No provisions of this Agreement may be modified,

altered or amended except by an instrument in writing executed by the parties hereto. No waiver by either party hereto of any breach by the other party hereto of any provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions at the time or at any prior or subsequent time.

17. Headings. The headings contained herein are solely for the purposes of reference, are not part of this Agreement and shall not in any way affect the meaning or interpretation of this Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Consultant has hereunto set his hand, as of the day and year first above written.

FAMILY GOLF CENTERS, INC.

By: _____

DOMINIC CHANG

Exhibit 2

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the "Agreement") is made and entered into as of this ____ day of October, 2000, by and between Krishnan Thampi (the "Consultant") and Family Golf Centers, Inc., a Delaware corporation (the "Company").

W I T N E S S E T H:

WHEREAS, on May 4, 2000, the Company and its affiliates and subsidiaries (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of Title 11, United States Code (the "Bankruptcy Code"). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their business and manage their properties as debtors-in-possession;

WHEREAS, the Debtors' Chapter 11 cases (the "Cases") are currently pending before the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court");

WHEREAS, the Consultant is the former President, Chief Operating Officer, Assistant Secretary and Treasurer, and a former director of the Company, having resigned those positions and having terminated the employment agreement the Consultant had with the Company on the Effective Date (as such term is hereinafter defined);

WHEREAS, the Consultant possesses unique experience and knowledge relating to the creation and maximization of the value of the Debtors and, therefore, the Consultant will be integral to the Debtors' efforts to reorganize pursuant to Chapter 11 of the Bankruptcy Code;

WHEREAS, the Company desires to retain the services of the Consultant and the Consultant desires to provide services to the Company during the Consulting Term (as defined below), upon the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, the parties hereto agree as follows:

1. Payments. To induce the Consultant to perform certain consulting services as set forth herein, and in satisfaction of all severance claims the Consultant may have against the Debtors, including, but not limited to, those arising from the Consultant's written employment contract with the Company, dated September 11, 1994, as amended, the Company shall, on the next business day following the date the Bankruptcy Court enters an order approving this Agreement (the "Effective Date"), (a) pay the Consultant a lump sum of \$205,000, and (b) provide an additional lump sum of \$100,000, which additional lump sum the Consultant and Dominic Chang shall divide between them as they shall determine.

2. Consulting Services and Definitions.

(a) Services. The Company hereby engages the Consultant to advise, assist and render consulting services as specifically requested by the Company during the Consulting Term (as such term is hereinafter defined) in connection with the operation of its businesses and the Company's efforts to facilitate a successful Chapter 11 reorganization of the Debtors (the "Services") for the period specified in Section 3 hereof. The Consultant hereby accepts such engagement and shall devote such time and energy as is reasonable under the circumstances to perform the Services, but in no event more than 20 hours per month during normal business hours (Monday through Friday, 9:00 a.m. to 5:00 p.m.). The Consultant shall perform the Services at such location as the Consultant and the Company agree in writing.

(b) Independent Contractor. The Services that the Consultant shall render to the Company hereunder shall be in the capacity of an independent contractor and not as an employee or agent of the Company.

3. Compensation.

(a) Consulting Fee. The Consultant shall receive no additional consulting fee for the performance by the Consultant of the Services during the Consulting Term. The Consultant will, however, receive the following in addition to the consideration previously recited herein: (a) the Company shall provide to the Consultant existing and comparable health, disability and other welfare benefits consistent with those benefits provided to the Company's employees, and (b) continue the Consultant's lease payments under the Consultant's existing automobile lease until the earlier of the (i) the termination of this Agreement; (ii) such time as the Company discontinues such benefits to its employees; or (iii) March 31, 2001.

(b) Reimbursement of Expenses. To the extent necessary to perform the Services as requested by the Company, the Consultant shall be reimbursed for all ordinary, necessary and reasonable out-of-pocket expenses that the Consultant may incur when providing Services that specifically have been requested by the Company, including without limitation, business class air travel, lodging, meals, telephone and mailing expenses. Consultant agrees to maintain adequate records, in such detail as the Company may reasonably request, of expenses to be reimbursed by the Company.

4. Term and Termination.

(a) Term. The term of the retention of the Consultant hereunder shall commence on the date hereof and shall continue in full force and effect until December 31, 2001, unless earlier terminated as provided herein (the "Consulting Term").

(b) Termination. This Agreement may be terminated at any time following the date hereof without liability to or obligation of either party hereto,

- i. by the Company, at any time following the date hereof, upon delivery of written notice to the Consultant, for cause or if the Bankruptcy Court has entered a final and non-appealable order confirming a plan of reorganization involving the Debtors, or
- ii. by the Consultant at any time, with or without cause, in the sole discretion of the Consultant, upon delivery of written notice by the Consultant to the Company,

at which time this Agreement shall terminate and be of no further force and effect.

5. Company Representations and Warranties. The Company hereby represents and warrants to the Consultant that:

Authority; Noncontravention. Subject to approval of this Agreement by the Bankruptcy Court, the Company has all requisite legal capacity, power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company, and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company.

6. Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given (i) if personally delivered, when so delivered, or (ii) if mailed, five (5) business days after having been placed in the United States mail, registered or certified mail, return receipt requested, postage pre-paid, addressed to the party to whom it is directed at the address set forth below, or (iii) if by facsimile, upon confirmation of the transmission:

If to the Company:

Family Golf Centers, Inc.
538 Broadhollow Road
Suite 106E
Melville, New York 11747
Attn: General Counsel
Phone: (631) 694-1666
Fax: (631) 694-1935

with a copy to:

Fried Frank Harris Schriber & Jacobsen
One New York Plaza
New York, New York 10004-1980
Attn: Lawrence A. First, Esq.
Phone: (212) 859-8000
Fax: (212) 859-4000
If to the Consultant, at:

Krishnan Thampi
35 Cobblestone Lane
Ramsey, New Jersey 07446

with a copy to:

Squadron, Ellenoff, Plesent & Sheinfeld, LLP
551 Fifth Avenue
New York, NY 10176
Phone: (212) 661-6500
Fax: (212) 697-6686
Attn: David M. Posner, Esq.

7. Indemnification; Limitation of Liability; Disclaimer of Warranties.

(a) The Company shall indemnify and hold the Consultant harmless from and against all claims, liabilities, losses, damages, and expenses as incurred (including legal fees and disbursements of counsel), (collectively "Losses"), directly relating to or arising out of the Services. Notwithstanding the foregoing, the Company shall not be liable for indemnification hereunder to the extent that any Losses are finally determined to have resulted from the professional negligence, gross negligence or willful misconduct of the Consultant in connection with the Services.

(b) The Company shall not settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which indemnification may be sought hereunder (whether or not the Consultant is an actual or potential party to such claim, action or proceeding) unless the Company has given the Consultant reasonable prior written notice thereof and obtained an unconditional release of the Consultant from all liability arising from such settlement or compromise, which unconditional release shall not place any nonfinancial obligations on the Consultant.

(c) The Company's obligations hereunder shall be in addition to any rights that the Consultant may have under any other written agreement, at law or otherwise.

(d) THE CONSULTANT SHALL NOT HAVE ANY LIABILITY (WHETHER DIRECT, INDIRECT, IN CONTRACT, IN TORT OR OTHERWISE) TO THE COMPANY OR ANY PERSON CLAIMING THROUGH THE COMPANY (INCLUDING ITS OWNERS, PARENTS, AFFILIATES, SECURITY HOLDERS OR CREDITORS) FOR ANY LOSSES SUFFERED BY THE COMPANY OR SUCH OTHER PERSON RELATING TO OR ARISING OUT OF ANY INDEMNIFICATION MATTER EXCEPT TO THE EXTENT THAT ANY LOSSES ARE FINALLY DETERMINED TO HAVE RESULTED PRIMARILY FROM THE PROFESSIONAL NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CONSULTANT.

(e) Neither party hereto shall be liable to the other for any delays or failure to perform resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority. Performance time shall be considered extended for a period of time equivalent to the time lost because of any such delay.

8. The Company Acknowledgment of Non-Exclusivity. The Company agrees that the Consultant may devote substantial attention, time and energy, either personally or through entities he owns, controls or has interest in with businesses unrelated to the Company. The Company hereby waives any resulting conflict of interest on the part of the Consultant and agrees that the Consultant is not and shall not be construed as being exclusively engaged by the Company.

9. Confidentiality. The Consultant agrees to treat any information that is not available to the public generally that was developed by or received from the Debtors or their representatives from and after the date of this Agreement (the "Confidential Material") with utmost confidentiality, and will not publish, distribute, or disclose in any manner such information without the Debtors' prior written approval. In the event that the Consultant is requested or required by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process to disclose any of the Confidential Material, the Consultant shall provide the Company with written notice as promptly as reasonably practicable of any such request or requirement so that the Company may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. The Consultant shall have no independent obligation to seek or obtain a protective order or other appropriate remedy, but shall cooperate with the Company to obtain such an appropriate protective order or other remedy. If the Company waives, either expressly or by inaction, compliance with this provision with respect to a specific request or requirement, the Consultant shall disclose that portion of the Confidential Material that is covered by such waiver and which is necessary to disclose in order to comply with such request or requirement. If, in the absence of a protective order, other remedy or waiver by the Company, the Consultant is, in the reasonable judgment of independent legal counsel, legally compelled to disclose any Confidential Material, the Consultant may, without liability hereunder, disclose that portion of

the Confidential Material which such counsel advises is legally required to be disclosed. Notwithstanding the foregoing, in the event that the Consultant discloses Confidential Material under the terms hereof, the Consultant shall take all reasonable measures to seek to limit the disclosure of such Confidential Material, including, without limitation, by cooperating with the Company to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Material.

10. Bankruptcy Court Approval. This Agreement is subject to the entry of an order of the Bankruptcy Court approving the retention of the Consultant pursuant to the terms of this Agreement, which order shall approve, among other things, any payments payable to the Consultant hereunder without further order of the Bankruptcy Court. The Company shall use all reasonable efforts to obtain the prompt authorization of the retention of the Consultant on the terms and provisions of this Agreement pursuant to Section 327 of the Bankruptcy Code.

11. Binding Effect/Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, estates, successors (including, without limitation, by way of merger) and assigns. Notwithstanding the provisions of the immediately preceding sentence, neither the Consultant nor the Company shall assign all or any portion of this Agreement without the prior written consent of the other.

12. Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter of this Agreement and supercedes all prior agreements, written or oral, between them as to such subject matter.

13. Severability. If any provision of this Agreement, or any application thereof to any circumstances, is invalid, in whole or in part, such provision or application shall to that extent be severable and shall not affect other provisions or applications of this Agreement.

14. Jurisdiction. The Company and the Consultant agree that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all disputes or other matters arising from the enforcement or interpretation of this Agreement and the Consultant submits to the personal jurisdiction of the Bankruptcy Court in respect thereof.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, without reference to the principles of conflict of laws. **THE CONSULTANT AND THE COMPANY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY MATTER ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR AMENDMENT OR MODIFICATION HERETO.**

16. Modifications and Waivers. No provisions of this Agreement may be modified, altered or amended except by an instrument in writing executed by the parties hereto. No waiver

by either party hereto of any breach by the other party hereto of any provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions at the time or at any prior or subsequent time.

17. Headings. The headings contained herein are solely for the purposes of reference, are not part of this Agreement and shall not in any way affect the meaning or interpretation of this Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Consultant has hereunto set his hand, as of the day and year first above written.

FAMILY GOLF CENTERS, INC.

By: _____

KRISHNAN THAMPI

Exhibit 3

RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT

FAMILY GOLF CENTERS, INC., and all of its affiliates ("Family Golf") on the attached Schedule "A," corporations having their principal offices at 538 Broadhollow Road, Suite 106E, Melville, New York 11747, as RELEASORS, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration received from DOMINIC CHANG, an individual residing at 5 Micole Court, Dix Hills, New York 11746, as RELEASEE, receipt whereof is hereby acknowledged, releases and discharges DOMINIC CHANG and DOMINIC CHANG'S representatives, heirs, administrators and assigns (collectively, the "RELEASEES") from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, in law, admiralty or equity (collectively, the "Claims"), which against the RELEASEES, the RELEASORS, RELEASORS' parents, subsidiaries, officers, directors, accountants, attorneys, affiliates, representatives, administrators, successors and assigns ever had, now has, and the RELEASORS' bankruptcy estates ever had, now have, or hereafter can, shall or may have, for, upon, or by reason of any matter, cause or thing from the beginning of the world to the day of the date of this RELEASE, specifically excluding: (i) those Claims the RELEASORS or a bankruptcy trustee for the RELEASORS have or may have against the RELEASEES arising out or related to any intentional acts of misconduct on the part of the RELEASEES; (ii) those Claims arising from advances made or to be made by RELEASORS (or by RELEASORS' insurance carriers) to RELEASEES for defense costs or similar expenses pursuant to an indemnification agreement or other indemnification obligation at law, if RELEASORS are entitled or become entitled to recover from RELEASEES such advances following a final determination that RELEASEES are not or were not entitled to indemnification by the RELEASORS; and (iii) those Claims that the RELEASORS or a bankruptcy trustee for the RELEASORS have or may have against the RELEASEES, pursuant to Sections 544, 546, 547, 548, 549 and 550 of Title 11, United States Code (the "Bankruptcy Code") (collectively, the "Avoidance Claims"), provided, however, that (a) the Avoidance Claims shall be released 150 days from the entry of an order of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") approving, among other things, this RELEASE, unless a complaint containing the requisite specificity has been filed with the clerk of the Bankruptcy Court against any of the RELEASEES on behalf of any of the RELEASORS or any of the RELEASORS' bankruptcy estates in respect of any specific Avoidance Claim, in which case such Avoidance Claim or Claims so filed shall be preserved and shall not be released; and (b) nothing herein shall constitute a release of Avoidance Claims in respect of transfers that were made to third parties for the benefit of RELEASEES.

So long as the RELEASORS' bankruptcy cases are pending before the Bankruptcy Court, the RELEASORS and Dominic Chang agree that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all disputes arising from the enforcement or interpretation of this RELEASE, and Dominic Chang submits to the personal jurisdiction of the Bankruptcy Court in respect thereof.

This RELEASE may not be changed orally and shall be governed by the laws of the State of New York as to all matters, including, but not limited to, matters of validity, construction, effect, performance and remedies.

IN WITNESS WHEREOF, the RELEASORS have caused this RELEASE to be executed by their duly authorized officer, representative and attorney-in-fact under power of attorney on October __, 2000.

IN THE PRESENCE OF:

FAMILY GOLF CENTERS, INC. on its own behalf and on behalf of all of its affiliates and subsidiaries on the attached Schedule "A."

By: _____
Its:

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ____ day of October, 2000, before me personally came _____,
to me known to be the individual who executed the foregoing instrument and who, being duly
sworn by me, did depose and say that (s)he is _____ of Family Golf
Centers, Inc. a _____ corporation, and that (s)he has the authority to sign the same, and
acknowledge that (s)he executed the same as the act and deed of said corporation and all those
corporations on the attached Schedule "A."

Notary Public

Exhibit 4

RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT

KRISHNAN THAMPI, an individual residing at 35 Cobblestone Lane, Ramsey, New Jersey 07446, as RELEASOR, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration received from FAMILY GOLF CENTERS, INC., and all of its affiliates ("Family Golf") on the attached Schedule "A," corporations having their principal offices at 538 Broadhollow Road, Suite 106E, Melville, New York 11747, as RELEASEES, receipt whereof is hereby acknowledged, releases and discharges the RELEASEES, RELEASEES' parents, subsidiaries, officers, directors, accountants, attorneys, affiliates, representatives, administrators, successors, assigns and the RELEASEES' bankruptcy estates from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, in law, admiralty or equity (collectively, the "Claims"), which against the RELEASEES, the RELEASOR, RELEASOR'S representatives, heirs, administrators and assigns ever had, now have or hereafter can, shall or may have, for, upon, or by reason of any matter, cause or thing from the beginning of the world to the day of the date of this RELEASE, specifically excluding any Claims that RELEASOR hereafter can, shall or may have against RELEASEES by reason of the RELEASOR'S right, contractual or otherwise, to indemnification under RELEASEES' existing D&O insurance, provided, however, that the advancement of funds to RELEASOR for any and all legal costs and expenses under RELEASEES' existing D&O insurance shall be limited and shall not exceed one million dollars in the aggregate advanced for all the named persons under the RELEASEES' existing D&O insurance in defense or response to (A) investigations by the Securities and Exchange Commission, and (B) private securities law actions (whether advanced prior to the date hereof or thereafter).

So long as the RELEASEES' bankruptcy cases are pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), the RELEASOR and the RELEASEES agree that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all disputes arising from the enforcement or interpretation of this RELEASE, and RELEASOR submits to the personal jurisdiction of the Bankruptcy Court in respect thereof.

This RELEASE may not be changed orally and shall be governed by the laws of the State of New York as to all matters, including, but not limited to, matters of validity, construction, effect, performance and remedies.

IN WITNESS WHEREOF, the RELEASOR has caused this RELEASE to be executed on October __, 2000.

IN THE PRESENCE OF:

KRISHNAN THAMPI

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ____ day of October, 2000, before me personally came Krishnan Thampi, to me known, who, by me duly sworn, did depose and say that deponent resides at 55 Cobblestone Lane, Ramsey, New Jersey 07446, that deponent is the individual described in and which executed the foregoing RELEASE.

Notary Public

Exhibit 5

RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT

DOMINIC CHANG, an individual residing at 5 Micole Court, Dix Hills, New York 17746, as RELEASOR, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration received from FAMILY GOLF CENTERS, INC., and all of its affiliates ("Family Golf") on the attached Schedule "A," corporations having their principal offices at 538 Broadhollow Road, Suite 106E, Melville, New York 11747, as RELEASEES, receipt whereof is hereby acknowledged, releases and discharges the RELEASEES, RELEASEES' parents, subsidiaries, officers, directors, accountants, attorneys, affiliates, representatives, administrators, successors, assigns and the RELEASEES' bankruptcy estates from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, in law, admiralty or equity (collectively, the "Claims"), which against the RELEASEES, the RELEASOR, RELEASOR'S representatives, heirs, administrators and assigns ever had, now have or hereafter can, shall or may have, for, upon, or by reason of any matter, cause or thing from the beginning of the world to the day of the date of this RELEASE, specifically excluding: (i) any Claims that RELEASOR hereafter can, shall or may have against RELEASEES by reason of the RELEASOR'S right, contractual or otherwise, to indemnification under RELEASEES' existing D&O insurance, provided, however, that the advancement of funds to RELEASOR for any and all legal costs and expenses under RELEASEES' existing D&O insurance shall be limited and shall not exceed one million dollars in the aggregate advanced for all the named persons under the RELEASEES' existing D&O insurance in defense or response to (A) investigations by the Securities and Exchange Commission, and (B) private securities law actions (whether advanced prior to the date hereof or thereafter); (ii) Family Golf agrees to indemnify RELEASOR for payments of amounts paid by RELEASOR to the holders of RELEASOR'S personal guarantees of Family Golf's indebtedness owed to Spalding, Sun Mountain, and Bridgestone (collectively, the "Identified Guaranties") in an amount not to exceed \$187,500 in the aggregate (it being understood that RELEASOR is only being indemnified for RELEASOR'S payments of principal in respect of the Identified Guaranties, and is not indemnified for any other losses or costs that RELEASOR may incur in his performance under the Identified Guaranties) and Family Golf agrees to pay such amounts due under this indemnity upon presentment of evidence of payment by RELEASOR, and RELEASOR retains the right to file an administrative expense claim pursuant to section 503(b) of title 11, United States Code (the "Bankruptcy Code") in respect of such indemnity; and (iii) any claim, right or cause of action that RELEASOR hereafter, can, shall or may have against RELEASEES as an unsecured creditor of the RELEASEES by right of subrogation in respect of payments made by RELEASOR on account of the Identified Guaranties and not otherwise reimbursed pursuant to the indemnity set forth in (ii) above.

So long as the RELEASEES' bankruptcy cases are pending in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), the RELEASOR and the RELEASEES agree that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all disputes arising from the enforcement or interpretation of this RELEASE, and

RELEASOR submits to the personal jurisdiction of the Bankruptcy Court in respect thereof.

This RELEASE may not be changed orally and shall be governed by the laws of the State of New York as to all matters, including, but not limited to, matters of validity, construction, effect, performance and remedies.

IN WITNESS WHEREOF, the RELEASOR has caused this RELEASE to be executed on October __, 2000.

IN THE PRESENCE OF:

DOMINIC CHANG

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ____ day of October, 2000, before me personally came Dominic Chang, to me known, who, by me duly sworn, did depose and say that deponent resides at 5 Micole Court, Dix Hills, New York 11746, that deponent is the individual described in and which executed the foregoing RELEASE.

Notary Public

Exhibit 6

RELEASE

TO ALL TO WHOM THESE PRESENTS SHALL COME OR MAY CONCERN, KNOW THAT

FAMILY GOLF CENTERS, INC., and all of its affiliates and subsidiaries on the attached Schedule "A," corporations having their principal offices at 538 Broadhollow Road, Suite 106E, Melville, New York 11747, as RELEASORS, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration received from KRISHNAN THAMPI, an individual residing at 35 Cobblestone Lane, Ramsey, New Jersey 07446, as RELEASEE, receipt whereof is hereby acknowledged, releases and discharges KRISHNAN THAMPI and KRISHNAN THAMPI'S representatives, heirs, administrators and assigns (collectively, the "RELEASEES") from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, in law, admiralty or equity (collectively, the "Claims"), which against the RELEASEES, the RELEASORS, RELEASORS' parents, subsidiaries, officers, directors, accountants, attorneys, affiliates, representatives, administrators, successors and assigns ever had, now has and the RELEASORS' bankruptcy estates ever had, now have, or hereafter can, shall or may have, for, upon, or by reason of any matter, cause or thing from the beginning of the world to the day of the date of this RELEASE, specifically excluding: (i) those Claims the RELEASORS or a bankruptcy trustee for the RELEASORS have or may have against the RELEASEES arising out or related to any intentional acts of misconduct on the part of the RELEASEES; (ii) those Claims arising from advances made or to be made by RELEASORS (or by RELEASORS' insurance carriers) to RELEASEES for defense costs or similar expenses pursuant to an indemnification agreement or other indemnification obligation at law, if RELEASORS are entitled or become entitled to recover from RELEASEES such advances following a final determination that RELEASEES are not or were not entitled to indemnification by the RELEASORS; and (iii) those Claims that the RELEASORS or a bankruptcy trustee for the RELEASORS have or may have against the RELEASEES, pursuant to Sections 544, 546, 547, 548, 549 and 550 of Title 11, United States Code (the "Bankruptcy Code") (collectively, the "Avoidance Claims"), provided, however, that (a) the Avoidance Claims shall be released 150 days from the entry of the order of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") approving, among other things, this RELEASE, unless a complaint containing the requisite specificity has been filed with the clerk of the Bankruptcy Court against any of the RELEASEES on behalf of any of the RELEASORS or any of the RELEASORS' bankruptcy estates in respect of any specific Avoidance Claim, in which case such Avoidance Claim or Claims so filed shall be preserved and shall not be released; and (b) nothing herein shall constitute a release of Avoidance Claims in respect of transfers that were made to third parties for the benefit of RELEASEES.

So long as the RELEASORS' bankruptcy cases are pending before the Bankruptcy Court, the RELEASORS and Krishnan Thampi agree that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine all disputes arising from the enforcement or interpretation of this RELEASE, and the Krishnan Thampi submits to the personal jurisdiction of the Bankruptcy Court in respect thereof.

This RELEASE may not be changed orally and shall be governed by the laws of the State of New York as to all matters, including, but not limited to, matters of validity, construction, effect, performance and remedies.

IN WITNESS WHEREOF, the RELEASORS have caused this RELEASE to be executed by their duly authorized officer, representative and attorney-in-fact under power of attorney on October __, 2000.

IN THE PRESENCE OF:

FAMILY GOLF CENTERS, INC. on its own behalf and on behalf of all of its affiliates and subsidiaries on the attached Schedule "A."

By: _____
Its:

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the ____ day of October, 2000, before me personally came _____,
to me known to be the individual who executed the foregoing instrument and who, being duly
sworn by me, did depose and say that (s)he is _____ of Family Golf
Centers, Inc. a _____ corporation, and that (s)he has the authority to sign the same, and
acknowledge that (s)he executed the same as the act and deed of said corporation and all those
corporations on the attached Schedule "A."

Notary Public

Exhibit 7

MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (the "Agreement") dated as of November 8, 2000 is made by and between Family Golf Centers, Inc. (the "Debtor" or "Company") and by its subsidiary(ies), which each filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code with the United States Bankruptcy Court for Southern District of New York on May 4, 2000, or collectively (the "Debtors" or "Companies"), and Zolfo Cooper Management, LLC (the "Manager") a New Jersey limited liability company.

Recitals:

WHEREAS, the parties hereto desire to enter into this Agreement to set forth the basis on which the Manager will perform management services for the Debtors, all as set forth more fully in this Agreement.

NOW, THEREFORE, in consideration of the premises and covenants set forth herein, and intending to be legally bound hereby, the parties to this Agreement hereby agree as follows:

1. **Engagement.** The Debtors hereby engage the Manager as an independent contractor to the Debtors, and the Manager hereby accepts such engagement, on the terms and conditions set forth in this Agreement. The Debtors are hereby acquiring from the Manager the services of Philip Gund ("Gund") and Robert Sundius ("Sundius"), as well as other staff, as set forth below. All compensation for the services and actions of Gund and Sundius under this Agreement will be paid to the Manager.

2. **Duties.**

(a) The Debtors represent to the Manager that its Board of Directors (the "Board"), upon recommendation of the Official Committee of Unsecured Creditors and the Debtors' prepetition lenders, has duly approved the retention of the Manager and approved the terms of this Agreement, including the appointment of Gund as the Chief Executive Officer and Chairman and Sundius as Chief Financial Officer of each of the Debtors. Subject to Bankruptcy Court approval, the Manager will assign Gund to serve as Chief Executive Officer and Chairman and Sundius as Chief Financial Officer of each of the Debtors, and additional personnel of the Manager, including Stephen Cooper and Daniel Kerrigan, to act in various managerial capacities to carry out other services required of the Manager, and may assign, subject to the prior approval of the Board, other officers to perform other services required of the Manager hereunder. To the extent additional resources are required to carry out the Managers services, specific employees will be identified and this Management Agreement will be amended as appropriate without the need for further Court approval.

(b) Gund in his role as Chief Executive Officer and Chairman and Sundius in his role as Chief Financial Officer, shall be authorized to make decisions with respect to all aspects of the management and operation of the Companies' business, including without limitation organization and human resources, marketing and sales, logistics, finance and administration and such other areas as they may identify, in such manner as they deem necessary or appropriate in their sole discretion consistent with the business judgment rule and the provisions of Delaware law and the United States Bankruptcy Code applicable to the obligations of persons acting on behalf of corporations, subject only to appropriate governance by the Board in accordance with the Companies' Bylaws and applicable state law.

(c) The Manager shall cause Gund and Sundius to devote substantially all of their business time to the performance of services for the Debtors hereunder on behalf of the Manager. The Manager will file monthly invoices, including time records reflecting time descriptions of hours expended each day by Gund and Sundius and a general description of the work performed, and serve copies of such monthly invoices with the Debtors, the Official Committee of Unsecured Creditors, the Chase Manhattan Bank ("Chase") and the U.S. Trustee. The Manager will keep record of hours expended each day and a general description of the work activities performed. The Manager will file fee applications pursuant to the Administrative Orders governing applications for professional compensation in the Debtors' cases and as otherwise required by the Bankruptcy Court.

(d) In undertaking to provide the services set forth herein, the Manager does not guarantee or otherwise provide any assurances that it will succeed in restoring the Debtors' operational and financial health and stability, and the Debtors' obligation to provide the compensation specified under Section 4 hereof shall not be conditioned upon any particular results being obtained by the Manager.

(e) In view of the Debtors' precarious present circumstances, the Debtors acknowledge that Gund and Sundius, may be required to make decisions with respect to extraordinary measures quickly and that the depth of their analysis of the information on which their decisions will be based may be limited in some respects due to the availability of information, time constraints and other factors. Moreover, each of Gund and Sundius shall be entitled, in performing their duties hereunder on behalf of the Manager, to rely on information disclosed or supplied to them without verification or warranty of accuracy or validity.

(f) Gund and Sundius will endeavor to keep the Board fully apprised of their findings, plans and activities. The Debtors understand that Gund will communicate with the Official Committee of Unsecured Creditors and the Chase and/or the prepetition lenders, and their respective professionals, as to the status of operations and the plans for the restructuring of the Debtors.

3. Term. The term of the Manager's engagement hereunder shall commence on the date hereof and shall continue on a month to month basis until terminated by either party at the end of any such month upon written notice to the other party given at least thirty days prior to the end of such month. Notwithstanding the foregoing, the Manager's responsibilities to

provide management services pursuant to Section 2 hereof shall not commence until this Agreement has been approved by the Bankruptcy Court.

4. Compensation. The Manager's compensation hereunder shall consist of the following:

(a) a monthly fee for Gund's services of \$82,500 cash payable in immediately available funds upon execution of this Agreement and on the first day of each month thereafter throughout the term hereof commencing upon approval by the Bankruptcy Court (such fees will be prorated for the first month based upon the commencement date of the Manager's retention);

(b) a monthly fee for Sundius' services of \$67,500 cash payable in immediately available funds upon execution of this Agreement and on the first day of each month thereafter throughout the term hereof commencing upon approval by the Bankruptcy Court (such fees will be prorated for the first month based upon the commencement date of the Manager's retention);

(c) fees for additional personnel of the Manager will be based on the actual hours expended at our standard hourly rates which are in effect when the services are rendered; our rates generally are revised semi-annually. All such billings will be in accordance with our customary practices and in accordance with applicable guidelines of the Bankruptcy Court. Our current hourly rates are as follows:

Principals/Members	\$410 - \$550
Professional Staff	\$125 - \$400
Support Staff	\$75 - \$200

(d) reimbursement of the Manager's reasonable out-of-pocket expenses including, but not limited to, costs of travel, reproduction, typing, computer usage, legal counsel (including legal counsel retained to draft and enforce this Agreement), any applicable state sales or excise tax and other direct expenses.

The Debtors shall pay to the Manager the compensation set forth in Sections 4(a), 4(b), 4(c) and 4(d) hereof based upon the submission of monthly invoices as set forth in Section 2(c). The compensation provided for in this Agreement shall constitute full payment for the services to be rendered by the Manager to the Debtors hereunder.

5. Confidentiality.

(a) The Manager, Gund and Sundius each agrees to treat any information received from the Debtors or their representatives with utmost confidentiality, and except as provided in this Agreement, will not publish, distribute or disclose in any manner any information developed by or received from the Debtors or their representatives without the Debtors' prior approval. Such approval shall not be unreasonably withheld. The Debtors' approval is not needed if either the information sought is required to be disclosed by an order binding on the Manager, issued by a court having competent jurisdiction over the Manager

(unless such order specifies that the information to be disclosed is to be placed under seal), or such information is otherwise publicly available. This provision does not apply to members of the Official Committee of Unsecured Creditors, Chase, the prepetition lenders, their professionals, the U.S. Trustee and the Bankruptcy Court.

6. Representations and Warranties.

As an inducement to the Manager to enter into this Agreement, the Debtors represent and warrant to the Manager as follows:

(a) Each of the Debtors is a corporation duly organized and validly existing under the laws of the jurisdiction in which it was organized and has all requisite corporate powers to enter into this Agreement.

(b) Subject to receipt of the approval by the Bankruptcy Court of the execution by the Debtors of this Agreement, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein or therein nor compliance by the Debtors with any of the provisions hereof or thereof will: (i) violate any order, writ, injunction, decree, law, statute, rule or regulation applicable to it or (ii) require the consent, approval, permission or other authorization of, or qualification or filing with or notice to, any court, arbitrator or other tribunal or any governmental, administrative, regulatory or self-regulatory agency or any other third party.

(c) Subject to receipt of the approval by the Bankruptcy Court of the execution by the Debtors of this Agreement, this Agreement has been duly authorized, executed and delivered by the Debtors and constitutes the legal, valid and binding agreement of the Debtors, enforceable in accordance with its terms.

(d) To the actual knowledge of the Debtors, without inquiry or investigation, the Debtors are not aware of any document or written statement regarding the Debtors furnished to the Manager by any member of senior management of the Debtors which contained, when made, any untrue statement of a material fact or omitted to state a fact necessary to make the statements made therein, in light of the circumstance under which they were made, not misleading, excluding (i) statements which the Manager believes or has reason to believe, as of the date hereof, are inaccurate and (ii) financial projections. To the actual knowledge of the Debtors, without inquiry or investigation, the Debtors are not aware of any fact that materially and adversely affects the business, operations, affairs, conditions, prospects or properties of the Debtors that has not been communicated to or known by the Manager prior to the date hereof. For purposes of this Agreement, the actual knowledge of the Debtors shall mean the actual knowledge of an officer, Pamela S. Charles, General Counsel of the Debtors.

7. Indemnification.

(a) The Debtors shall indemnify and hold harmless the Manager and its principals, employees, representatives or agents (including counsel) (collectively, the "Manager Indemnitees") from and against any and all losses, claims, damages, liabilities, penalties, judgments, awards, costs, fees, expenses and disbursements, including without limitation, the costs, fees, expenses and disbursements, as and when incurred, of investigating, preparing or defending any action, suit, proceeding or investigation (whether or not in connection with proceedings or litigation in which any Manager Indemnitee is a party)(any such amount being hereinafter sometimes referred to as an "Indemnifiable Loss"), directly or indirectly caused by, relating to, based upon, arising out of or in connection with this engagement of the Manager by the Debtors or the performance by the Manager of any services rendered pursuant to such engagement, unless there is a final non-appealable order of a Court of competent jurisdiction, at the trial level, finding the Manager Indemnitees directly liable for gross negligence, willful misconduct, breach of fiduciary, self dealing or bad faith.

(b) If any Manager Indemnitee is required to testify at any time after the expiration or termination of this Agreement at any administrative or judicial proceeding relating to any services provided by the Manager hereunder, then the Manager shall be entitled to be compensated by the Debtors for the Manager's associated time charges at the regular hourly rates in effect at the time and to be reimbursed for reasonable out-of-pocket expenses, including counsel fees; provided however, the Manager will not seek compensation for testimony at any proceeding related to a dispute regarding our compensation or claims against the Manager.

(c) Promptly upon execution of this Agreement, the Debtors will obtain a new Directors, Officers and Corporate Liability Insurance Policy (the "New Policy") with at least \$10 million in coverage. Gund and Sundius, in addition to the existing officers and directors serving in such positions on the date this Agreement is approved by the Bankruptcy Court (but not including Dominic Chang and Kris Thampi), will be insured under such New Policy. The retention of Gund and Sundius, as discussed herein, is contingent upon obtaining a New Policy. The Debtors shall cause its insurance broker to send copies of all documentation and other communications regarding the new Policy, including without limitation any renewal or cancellation thereof, to the attention of Gund. The Debtors shall maintain directors and officers liability insurance coverage comparable as to terms (including without limitation the provisions of the new Policy or any similar provision regarding extension of the discovery period thereunder) and amounts as that provided under the new Policy during the term of this Agreement, with any such replacement coverage being obtained from an insurer with a rating from a nationally recognized rating agency not lower than that of the Insurer. Upon any cancellation or nonrenewal of the new Policy by the Insurer, the Debtors shall exercise their rights under clause 10 of the Policy to extend the claim period for a one-year "discovery period" and shall exercise such rights and pay the premium required thereunder within the 30-day period specified therein. The Debtors shall use commercially reasonable efforts, in connection with the next renewal of the Policy, to negotiate to extend the discovery period the Policy from one to three years.

8. **Independent Contractor.** The parties intend that the Manager shall render services hereunder as an independent contractor, and nothing herein shall be construed to be inconsistent with this relationship or status. The Manager shall not be entitled to any benefits paid by the Debtors to their employees. The Manager shall be solely responsible for any tax consequences applicable to the Manager by reason of this Agreement and the relationship established hereunder, and the Debtors shall not be responsible for the payment of any federal, state or local taxes or contributions imposed under any employment insurance, social security, income tax or other tax law or regulation with respect to the Manager's performance of management services hereunder. The parties agree that, subject to the terms and provisions of this Agreement, the Manager may perform any duties hereunder and set the Manager's own work schedule without day-to-day supervision by the Debtors.

9. **Offer of Employment.** The Debtors agree to promptly notify the Manager if it extends (or solicits the possible interest in receiving) an offer of employment to an employee or principal of the Manager and agrees that it will pay the Manager a cash fee, upon hiring, equal to 150% of the aggregate first year's annualized compensation, including any guaranteed or target bonus, to be paid to the Manager's former principal or employee that the Debtors hire at any time up to one year subsequent to the date of the final invoice rendered by the Manager with respect to this Management Agreement.

10. **Trial.** The Debtors agree that neither they nor any of their assignees or successors shall (a) seek a jury trial in any lawsuit, proceeding, counterclaim or any other action based upon, or arising out of or in connection with the engagement of the Manager by the Debtors or any services rendered pursuant to such engagement, or (b) seek to consolidate any such action with any other action in which a jury trial cannot be or has not been waived. The provisions of this paragraph have been fully discussed by the Debtors and the Manager and these provisions shall be subject to no exceptions. Neither party has agreed with or represented to the other that the provisions of this section will not be fully enforced in all instances.

11. **Jurisdiction.** The Debtors hereby irrevocably and unconditionally (a) submit for itself and its property in any legal action or proceeding relating to the engagement of the Manager by the Debtors or any services rendered pursuant to such engagement, to the non-exclusive general jurisdiction of the Courts of the State of New York, the Courts of the United States of America for the Southern District of New York, and appellate courts from any thereof; (b) consent that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; (c) agree that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Debtors at their address set forth above or at such other address of which the Manager shall have been notified pursuant thereto; (d) agree that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue

in any other jurisdiction; and (e) waive , to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this subsection any special, exemplary or punitive or consequential damages.

12. Survival of Agreement. Except as provided in this Agreement, the obligations set forth under the above captioned Confidentiality, Indemnification, Compensation, Offer of Employment, Trial, and Jurisdiction sections shall survive the expiration, termination, or supersession of this agreement.

13. Conflicts. Except as noted in Zolfo Cooper, LLC's original retention and the Affidavit of Philip Gund, appended hereto, the Manager confirms that none of the principals or staff members of the Manager or of its affiliates has any financial interest or business connection with the Debtors, and the Manager is aware of no conflicts in connection with this agreement. However, Debtors are aware that Zolfo Cooper, LLC, an affiliate of the Manager was retained by the Debtors to provide special financial advisory and bankruptcy consulting services and such retention is in effect up to the date this Agreement is approved by the Bankruptcy Court.

14. Amendments. Any amendment to this Agreement shall be made in writing and signed by the parties hereto and approval by the Bankruptcy Courts.

15. Enforceability. If any provision of this Agreement shall be invalid or unenforceable, in whole or in part, then such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Agreement, as the case may require, and this Agreement shall be construed and enforced to the maximum extent permitted by law as if such provision had been originally incorporated herein as so modified or restricted or as if such provision had not been originally incorporated herein, as the case may be.

16. Construction. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York.

17. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by certified mail, postage prepaid; by an overnight delivery service, charges prepaid; or by confirmed telecopy; addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by the addressee to the addressor:

If to the Debtors:

Family Golf Centers, Inc.
538 Broadhollow Road
Melville, NY 11747

Attention: Don Monks and General Counsel

If to the Manager:

Zolfo Cooper Management, LLC
1395 Route 23 South
Butler, NJ 07405

Attention: Philip Gund

Any party may from time to time change its address for the purpose of notices to that party by a similar notice specifying a new address, but no such change shall be deemed to have been given until it is actually received by the party sought to be charged with its contents.

18. Waivers. No claim or right arising out of a breach or default under this Agreement shall be discharged in whole or in part by a waiver of that claim or right unless the waiver is supported by consideration and is in writing and executed by the aggrieved party hereto or his or its duly authorized agent. A waiver by any party hereto of a breach or default by the other party hereto of any provision of this Agreement shall not be deemed a waiver of future compliance therewith, and such provisions shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the date first above written.

FAMILY GOLF CENTERS, INC.

By: _____

Title:

ZOLFO COOPER MANAGEMENT, LLC

By: /s/ ZOLFO COOPER MANAGEMENT, LLC

Exhibit 8

DRAFT
11/09/00

**AMENDMENT NO. 2
TO REVOLVING CREDIT
AND GUARANTY AGREEMENT**

AMENDMENT NO. 2, dated as of November __, 2000 (the "Amendment"), to the **REVOLVING CREDIT AND GUARANTY AGREEMENT**, dated as of June 2, 2000, among **FAMILY GOLF CENTERS, INC.**, a Delaware corporation (the "Borrower"), a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code, the Subsidiaries of the Borrower named therein as Guarantors (the "Guarantors"), **THE CHASE MANHATTAN BANK**, a New York banking corporation ("Chase"), each of the other financial institutions party thereto (together with Chase, the "Banks") and **THE CHASE MANHATTAN BANK**, as Agent for the Banks (in such capacity, the "Agent"):

W I T N E S S E T H:

WHEREAS, the Borrower, the Guarantors, the Banks and the Agent are parties to that certain Revolving Credit and Guaranty Agreement, dated as of June 2, 2000, as amended by that certain Amendment No. 1 to Revolving Credit and Guaranty Agreement dated as of June 30, 2000 (as the same may be further amended, modified or supplemented from time to time, the "Credit Agreement"); and

WHEREAS, the Borrower and the Guarantors have requested that from and after the Effective Date (as hereinafter defined) of this Amendment, the Credit Agreement be amended subject to and upon the terms and conditions set forth herein;

NOW, THEREFORE, it is agreed:

1. As used herein all terms that are defined in the Credit Agreement shall have the same meanings herein.
2. The definition of "Budget" appearing in Article 1 of the Credit Agreement is hereby amended by deleting "6.04" where it appears and inserting "6.09" in lieu thereof.
3. Section 2.05(b) of the Credit Agreement is hereby amended by deleting "\$750,000" where it appears and inserting "\$500,000" in lieu thereof.

4. Section 4.01 of the Credit Agreement is hereby amended to add a new Section 4.01(k) to read as follows:

“(k) Budget. The Agent and the Banks shall have received the initial Budget and the updates required by Section 5.01(f), each of which shall be satisfactory in form and substance to the Agent and one other Bank.”

5. Section 5.01(f) of the Credit Agreement is hereby amended in its entirety to read as follows:

“(f) no later than (x) each of November 16, 2000, November 30, 2000 and December 14, 2000 a revised Budget for the period commencing on the Saturday following such date and ending December 29, 2000 and (y) December 22, 2000 a revised Budget for the period January 1, 2001 through and including the Maturity Date, together with the operating budget for fiscal year 2001, each in form previously delivered to the Agent and the Banks and satisfactory in form and substance to the Agent and one other Bank;”

6. Section 5.01(h) of the Credit Agreement is hereby amended by deleting the word “and” at the end thereof.

7. Section 5.01(i) of the Credit Agreement is hereby amended by deleting the “.” at the end thereof and inserting “; and” in lieu thereof.

8. Section 5.01 of the Credit Agreement is hereby amended by adding a new Section 5.01(j) to read as follows:

“(j) as soon as available, but no later than the fourth Business Day of each week, for the immediately preceding week, an analysis of any line item variances from the Budget with appropriate explanations for variances equal to or greater than 10% from the Budget, in form and substance satisfactory to the Agent and the Banks.”

9. Section 6.04 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Section 6.04 **EBITDAR**. Intentionally omitted.”

10. Article 6 of the Credit Agreement is hereby amended to add a new Section 6.09 to read as follows:

“Section 6.09 Budget Compliance. Without the consent of the Required Banks in their sole discretion, permit (i) the variances from any line item set forth in the Budget attached hereto as Schedule 6.09 for the period ending December 29, 2000 together with the updates delivered pursuant to Section 5.01(f) (the “Budget”) for any week end to be equal

to or greater than 10% on a cumulative basis from any line item amount set forth in the Budget for such week or reallocate any of the expenditures set forth on the Budget from one line item to another or (ii) the variances from any line item set forth in the Budget for any calendar month end to be equal to or greater than 10% on a cumulative basis from any line item set forth in the Budget for such month.”

11. Schedule 6.04 to the Credit Agreement is hereby deleted.
12. The Credit Agreement is hereby amended by adding Schedule 6.09 attached hereto as Schedule 1.
13. Compliance with Section 6.04 of the Credit Agreement is hereby waived.
14. This Amendment shall not become effective (the “Effective Date”) until the date on which this Amendment (i) shall have been executed by the Borrower, the Guarantors, Banks representing the Required Banks and the Agent, and the Agent shall have received evidence satisfactory to it of such execution and (ii) entry of an order by the Bankruptcy Court approving this Amendment.
15. The Borrower agrees that its obligations set forth in Section 10.05 of the Credit Agreement shall extend to the preparation, execution and delivery of this Amendment.
16. This Amendment and the waiver herein shall be limited precisely as written and shall not be deemed (a) to be a consent granted pursuant to, or a waiver or modification of, any other term or condition of the Credit Agreement or any of the instruments or agreements referred to therein or (b) to prejudice any right or rights which the Agent or the Banks may now have or have in the future under or in connection with the Credit Agreement or any of the instruments or agreements referred to therein. Whenever the Credit Agreement is referred to in the Credit Agreement or any of the instruments, agreements or other documents or papers executed or delivered in connection therewith, such reference shall be deemed to mean the Credit Agreement as modified by this Amendment.
17. This Amendment may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.
18. This Amendment shall in all respects be construed in accordance with and governed by the laws of the State of New York applicable to contracts made and to be performed wholly within such State.
19. This Amendment shall constitute a Loan Document.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and the year first above written.

BORROWER:

FAMILY GOLF CENTERS, INC.

By: _____

Name:

Title:

GUARANTORS:

**TPT EL SEGUNDO, INC.
GLOBAL GOLF/GAVILAN
INDIAN RIVER FAMILY GOLF CENTERS, INC.
TUCSON FAMILY GOLF CENTERS, INC.
CINCINNATI FAMILY GOLF CENTERS, INC.
ST. LOUIS FAMILY GOLF CENTERS, INC.
WEST PALM BEACH FAMILY GOLF CENTERS, INC.
SAN JOSE FAMILY GOLF CENTERS, INC.
EASTON FAMILY GOLF CENTERS, INC.
RANDALL'S ISLAND FAMILY GOLF CENTERS, INC.
PRIVATIZATION PLUS, INC.
WESTMINSTER FAMILY GOLF CENTERS, INC.
CAROLINA SPRINGS FAMILY GOLF CENTERS, INC.
ORIENT ASSOCIATES INTERNATIONAL, INC.
SKYDRIVE ALLEY POND COMPANY, INC.
SKYDRIVE GREENBURGH CO., INC.
SKYCON CONSTRUCTION CO., INC.
SKYDRIVE WILLOWBROOK, NJ, INC.
SKYDRIVE CO., INC.
PELHAM FAMILY GOLF CENTERS, INC.
RICHMOND FAMILY GOLF CENTERS, INC.
PEACHTREE FAMILY GOLF CENTERS, INC.
ALPHARETTA FAMILY GOLF CENTERS, INC.
VALLEY VIEW FAMILY GOLF CENTERS, INC.
MESA FAMILY GOLF CENTERS, INC.
VIRGINIA BEACH FAMILY GOLF CENTERS, INC.
DENVER FAMILY GOLF CENTERS, INC.
FLANDERS FAMILY GOLF CENTERS, INC.
MARGATE FAMILY GOLF CENTERS, INC.**

BROOKLYN FAMILY GOLF CENTERS, INC.
 LAKE GROVE FAMILY GOLF CENTERS, INC.
 GOLDEN SPIKES, INC.
 WHITEHALL FAMILY GOLF CENTERS, INC.
 SPORTS PLUS PROPERTIES, INC.
 SPORTS PLUS PROPERTIES, LLC
 GENPROP, LLC
 ICEWORKS OF AMERICA, INC.
 COMMACK FAMILY GOLF CENTERS, INC.
 GREENVILLE FAMILY GOLF CENTERS, INC.
 CHICAGO FAMILY GOLF CENTERS, INC.
 FLEMINGTON FAMILY GOLF CENTERS, INC.
 YORKTOWN FAMILY GOLF CENTERS, INC.
 THE PRACTICE TEE, INC.
 THE SEVEN IRON, INC.
 C.B. FAMILY GOLF CENTERS, INC.
 DARLINGTON FAMILY GOLF CENTERS, INC.
 MAINEVILLE FAMILY GOLF CENTERS, INC.
 MILWAUKEE FAMILY GOLF CENTERS, INC.
 OLNEY FAMILY GOLF CENTERS, INC.
 PALM DESERT FAMILY GOLF CENTERS, INC.
 BROWARD FAMILY GOLF CENTERS, INC.
 ENGLEWOOD FAMILY GOLF CENTERS, INC.
 RALEIGH FAMILY GOLF CENTERS, INC.
 TEMPE FAMILY GOLF CENTERS, INC.
 FEDERAL WAY FAMILY GOLF CENTERS, INC.
 COUNTY LINE FAMILY GOLF CENTERS, INC.
 FAIRFIELD FAMILY GOLF CENTERS, INC.
 CONFIDENCE GOLF, INC.
 KANSAS FAMILY GOLF CENTERS, INC.
 ELK GROVE FAMILY GOLF CENTERS, INC.
 SPORTS PLUS CINCINNATI, INC.
 WICHITA FAMILY GOLF CENTERS, INC.
 BLUE EAGLE OF FLORIDA, INC.
 SPORTS PLUS RALEIGH, INC.
 SPORTS PLUS WOODBRIDGE, INC.
 METROGOLF INCORPORATED
 METROGOLF VIRGINIA, INC.
 METROGOLF NEW YORK, INC.
 FAMILY GOLF ACQUISITION, INC.
 BRONX FAMILY GOLF CENTERS, INC.
 MILPITAS FAMILY GOLF CENTERS, INC.
 SAN BRUNO FAMILY GOLF CENTERS, INC.

INTERBAY FAMILY GOLF CENTERS, INC.
CARVER FAMILY GOLF CENTERS, INC.
PALM FAMILY GOLF CENTERS, INC.
CERRITOS FAMILY GOLF CENTERS, INC.
PHILADELPHIA FAMILY GOLF CENTERS, INC.,
as successor by merger to PINLEY ENTERPRISES LTD.
ENCINO/BALBOA FAMILY GOLF CENTERS, INC.
HOLBROOK FAMILY GOLF CENTERS, INC.
SHELTON FAMILY GOLF CENTERS, INC.
SPORTS PLUS NEW ROCHELLE, INC.
METROGOLF SAN DIEGO INC.
METROGOLF ILLINOIS CENTER, INC.
METROGOLF MANAGEMENT, INC.
FAMILY GOLF VENDING, INC.
OVERLAND FAMILY GOLF CENTERS, INC.
PARDOC VENDING CORP.
EAGLE QUEST GOLF CENTERS (TEXAS II) INC.
EAGLE QUEST GOLF CENTERS (CALIFORNIA) INC.
EAGLE QUEST GOLF CENTERS (H.P.) INC.
EAGLE QUEST GOLF CENTERS (WASHINGTON)
INC.
GOLF PARK, INC.
GOOSE CREEK GOLF PARTNERS
LIMITED PARTNERSHIP
VINTAGE NEW YORK GOLF, LLC
SACRAMENTO FAMILY GOLF CENTERS, INC.
PORTLAND FAMILY GOLF CENTERS, INC.
CARLSBAD FAMILY GOLF CENTERS, INC.
EVERGREEN FAMILY GOLF CENTERS, INC.
OVERLAND PARK, LLC
EAGLE QUEST GOLF CENTERS (TEXAS) INC.
PRECISION COURSES, INC.
IMG PROPERTIES, INC.
EAGLE QUEST GOLF CENTERS ENTERTAINMENT,
INC.
EAGLE QUEST GOLF CENTERS (U.S.) INC.
SOLANO GOLF CENTER, LP
ILLINOIS CENTER GOLF PARTNERS, L.P.
GBGC FAMILY GOLF CENTERS, INC.
VOORHEES FAMILY GOLF CENTERS, INC.
EL CAJON FAMILY GOLF CENTERS, INC.
BLUE EAGLE OF KANSAS, INC.
BLUE EAGLE (OP) INC.

**SKATENATION, INC.
RECREATIONAL MANAGEMENT CORPORATION
SKATENATION OF RICHMOND WEST, LLC
SKATENATION OF PRINCE WILLIAM, LLC
SKATENATION OF PINEY ORCHARD, LLC
82ND AVENUE GOLF RANGE, INC.
EVERGREEN GOLF COURSE, LLC
EAGLE QUEST GOLF CENTERS (WASHINGTON II),
INC.
KANSAS CITY FAMILY GOLF CENTERS, INC.
BLUE EAGLE OF FLORIDA, INC.
PINNACLE ENTERTAINMENT, INC.
RECREATIONAL MANAGEMENT SERVICES
CORPORATION
RECREATIONAL MANAGEMENT SERVICES
CORPORATION OF NEW JERSEY, INC.
SKATENATION OF RICHMOND SOUTH, LLC
SKATENATION OF RESTON, LLC
INTERNATIONAL SKATING CENTER OF
CONNECTICUT, LLC
RMSC OF CALIFORNIA, INC.
LODI FAMILY GOLF CENTERS, INC.**

By: _____
Name:
Title:

AGENT:

**THE CHASE MANHATTAN BANK,
Individually and as Agent**

By: _____
Name:
Title:

CIBC INC.

By: _____
Name:
Title:

**THE DIME SAVINGS BANK
OF NEW YORK FSB**

By: _____
Name:
Title:

SCHEDULE I
To Amendment No. 2 to
Revolving Credit and
Guaranty Agreement

SCHEDULE 6.09

Budget

Internal Reporting Only

FAMILY GOLF CENTERS, INC.
CASH FORECAST - CONSOLIDATED
BASED ON 2000 BUDGET 10/18/00 REFORECAST

	3-Nov	10-Nov	17-Nov	24-Nov	1-Dec	8-Dec	15-Dec	22-Dec	29-Dec	Current Cumulative Budget 11/3-12/29
OPENING CASH BALANCE	\$ (2,216,278)	\$ (1,631,324)	\$ (844,824)	\$ (1,744,324)	\$ (1,992,524)	\$ (1,999,924)	\$ (1,328,924)	\$ (1,596,024)	\$ (1,488,024)	\$ (2,216,278)
RECEIPTS										
Facility Receipts	1,486,167	1,380,000	1,340,000	1,340,000	1,340,000	1,350,000	1,350,000	1,350,000	1,350,000	12,286,167
Proceeds from Inventory Liquidation						250,000	250,000	250,000	250,000	1,000,000
Proceeds from Asset Sales										
Other - 6 days unswept Dec. cash										
Total Receipts	1,486,167	1,380,000	1,340,000	1,340,000	1,340,000	1,600,000	1,600,000	1,600,000	1,600,000	14,546,167
DISBURSEMENTS										
Operations:										
Transfers To Eagle Quest										
Transfers To Confidence Golf										
Payroll - Operations	1,289,830	1,325,000	1,325,000	1,325,000	1,325,000	1,325,000	1,325,000	1,325,000	1,325,000	8,589,830
Payroll - H.Q.	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	875,000
Payroll - Lakegrove	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	51,000	459,000
Pro Shop Merchandise	18,581	20,000	35,000	1,200,000	135,000	20,000	35,000	120,000	120,000	18,581
Rent	58,250	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	2,588,250
Utilities	145,878	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	1,225,878
Sales Taxes	10,124	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	331,124
Insurance - Medical	7,906	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	307,906
Insurance - Other	6,151	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	150,000
R.E. Taxes	34,983	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	329,351
Advertising	18,756	275,000	350,000	275,000	250,000	325,000	250,000	250,000	250,000	574,983
Food & Beverage	351,958	1,070,000	425,000	430,000	560,000	515,000	515,000	515,000	515,000	2,651,958
Other Operating Expenses										3,000,000
Professional Fees										
Total Operations	2,171,395	1,643,500	2,615,500	2,568,200	2,747,400	616,500	2,072,100	1,482,000	3,348,000	19,284,585
Net Operating Cash	(685,228)	(263,500)	(1,275,500)	(1,248,200)	(1,407,400)	983,500	(472,100)	108,000	(488,000)	(4,748,428)
Financial:										
Principal & Interest - Bank Loans										
Interest - Convertible Debt										
Closing Costs	305,068									1,330,068
(Proceeds)/Payments of Loans										
Total Financial	305,068			500,000					525,000	1,330,068
Capital Expenditures:										
Construction	120,381	150,000	100,000			112,500				482,881
Construction Carryforward	54,389	300,000	274,000			300,000	285,000			54,389
Capital Expenditures										1,168,000
Total Capital Expenditures	174,750	450,000	374,000			412,500	285,000			1,708,250
TOTAL DISBURSEMENTS	2,651,213	2,093,500	2,989,500	3,068,200	2,747,400	1,029,000	2,367,100	1,492,000	3,873,000	22,330,913
CASH FLOW	(1,165,046)	(713,500)	(1,649,500)	(1,748,200)	(1,407,400)	571,000	(767,100)	108,000	(1,013,000)	(7,794,746)
ENDING CASH BALANCE	\$ (3,381,324)	\$ (2,344,824)	\$ (2,484,324)	\$ (3,492,524)	\$ (3,398,924)	\$ (1,328,924)	\$ (2,096,024)	\$ (1,488,024)	\$ (2,501,024)	\$ (2,501,024)
BORROWINGS/(PAYDOWN)	\$ 1,750,000	\$ 1,500,000	\$ 750,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ 500,000	\$ -	\$ 750,000	\$ 8,250,000
ENDING CASH AFTER BORROWINGS	\$ (1,631,324)	\$ (844,824)	\$ (1,744,324)	\$ (1,992,524)	\$ (1,898,924)	\$ (1,328,924)	\$ (1,596,024)	\$ (1,488,024)	\$ (1,751,024)	\$ (1,751,024)
DIP Financing	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Borrowings to Date	\$ 8,250,000	\$ 9,750,000	\$ 10,500,000	\$ 13,500,000	\$ 13,500,000	\$ 13,500,000	\$ 14,000,000	\$ 14,000,000	\$ 14,750,000	\$ 14,750,000
DIP Credit Availability	\$ 6,750,000	\$ 5,250,000	\$ 4,500,000	\$ 3,000,000	\$ 1,500,000	\$ 1,500,000	\$ 1,000,000	\$ 1,000,000	\$ 250,000	\$ 250,000

cc: Dominic Chang Peggy Santoro
Krishnan Thiampi Phil Gund
Robert Sundius